ever, schemes where the total outlay does not exceed Rs. 25 crores need not be submitted to the Central Electrillty Authority for concurrence;

Generating Companies can be set up by private entrepreneurs. For safeguarding return on investment against possible under-demand of power arising from variations in demand, generating companies can now sell power on the basis of a suitably structured two part tariff. The operational norms and optimal PLF (Plant Load Factor) have been prescribed by the Government.

The specific incentives for Licencees are :

(a) Licences of a longer duration of 30 years in the first instance and subsequent renewals of 20 years instead of 20 and 10 years respectively as it was before.

(b) Higher rate of return of *5%* in place of the previous *2%* above the RBI rate.

(c) Capitalisition of Interest During Construction (IDC) at actual cost (for expansion projects also) as against *1%* over RBI rate as it was before.

(d) Special appropriations to meet debt redemption obligations.

A High Powered Board has been constituted under the chairmanship of Cabinet Secretary to monitor and provide for faster clearance of private sector power projects.

Proposals have been received from private investors in India and abroad (including NRIs) for a generatng capacity additoin of 8982.5 MW in the private sector worth over Rs. 20.000 crores.

Planning to Instal Lignite Base Power Plant in Tamil Nadu

813. SHRI B. L. PANWAR: Will the Minister of POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether Government are planning to instal a Lignite Base Power Plant in the State of Tamil Nadu by inviting Non-resident Indians;

(b) if so, the details thereof; and

(c) whether such a project is also being considered for exploiting and using Lignite deposits available in the State of Rajasthan ?

THE MINISTER OF STATE OF THE MINISTRY OF POWER AND NON-CONVENTIONAL ENERGY SOURCES): (SHRI KALP NATH RAI) : (a) and (b) An NRI Company based in US has offered to implement the 'Zero Unit' (210. MW) Lignite based thermal power project in Tamil Nadu.

(c) An Australian Consortium has offered to implement the Barsingsar (240 MW) lignite based power project as well as develop the lignite mine.

Fresh Financial Nanus for Transfer of Loans by World Bank to Power Corporations

814. DR. NARREDDY THULASI REDDY: Will the Minister of POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

(a) whether World Bank has imposed a set of fresh stringent financial norms for transfer of loans to the National Power Transmission Corporation from National Hydro Electric Power Corporation and National Thermal Power Corporation to whom it committed lending;

(b) if so, what are the details thereof;

(c) whether Government have accepted the norms; and

(d) if so, what is its impact on the, consumers ?

THE MINISTER OF STATE OF THE MINISTRY OF POWER AND NON CONVENTIONAL ENERGY SOURCES (SHRI KALP NATH RAI): (a) No, Sir,

(b) to (d) Does not arise,